

Tribal Power Allocation Study

For Section 503(a) of the Energy Policy Act of 2005



prepared by

U.S. Department of Energy
Bonneville Power Administration
Southwestern Power Administration
Western Area Power Administration

This report was written to comply with a requirement of Section 503(a) of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat 594; 764-777). Sections 503(a) and (b) entirely superseded Title XXVI of the Energy Policy Act of 1992 (Public Law 102-486; 106 Stat 2776; 3113). Section 2605(e) of the restated Title XXVI provides for:

“(e) Power Allocation Study. —Not later than 2 years after the date of enactment of the Energy Policy Act of 2005, the Secretary of Energy shall submit to Congress a report that—

“(1) describes the use by Indian tribes of Federal power allocations of the power marketing administration (or power sold by the Southwestern Power Administration) to or for the benefit of Indian tribes in a service area of the power marketing administration; and

“(2) identifies—

“(A) the quantity of power allocated to, or used for the benefit of, Indian tribes by the Western Area Power Administration;

“(B) the quantity of power sold to Indian tribes by any other power marketing administration; and

“(C) barriers that impede tribal access to and use of Federal power, including an assessment of opportunities to remove those barriers and improve the ability of power marketing administrations to deliver Federal power.”

Each power marketing administration (PMA) identified under Section 2605 owns transmission facilities and markets electrical power produced at generation facilities owned and operated by other Federal agencies, mainly the U.S. Department of the Interior - Bureau of Reclamation (Reclamation) and the U.S. Army Corps of Engineers (Corps). Each PMA operates under different authorizing legislation which guides its power marketing policies and relationships to Indian tribes.

This document, in compliance with the criteria provided in Section 2605, reports on the activities of Bonneville Power Administration (BPA), Southwestern Power Administration (Southwestern), and Western Area Power Administration (Western) with regards to use of Federal power by Indian tribes within each PMA's service territory.

BONNEVILLE POWER ADMINISTRATION

BPA is a Federal power marketing administration that markets power produced by 31 Federal hydro projects, one non-Federal nuclear plant and several other small non-Federal power plants. BPA supplies about 40 percent of the electric power used in the Pacific Northwest. About 75 percent of the power BPA sells is hydroelectric. BPA also owns, operates and maintains about three-fourths of the high-voltage transmission in the Pacific Northwest. BPA's transmission system covers approximately 15,000 circuit miles.

BPA is a self-funded agency that covers its costs by selling its services wholesale at cost. BPA is committed to fulfilling its public purposes and seeks to make its decisions in a manner that provides opportunities for input from all stakeholders. As part of its public purposes under the Pacific Northwest Power Planning and Conservation Act (Northwest Power Act), 16 U.S.C. § 839 et seq, BPA encourages the development of conservation and energy efficiency, renewable resources, and assures the Pacific Northwest an adequate, efficient, economical and reliable power supply. The agency, through its power rate revenues, provides funds that support efforts to protect, mitigate, and enhance fish and wildlife populations affected by Federal hydropower development in the Columbia River Basin.

Besides the Northwest Power Act, BPA's primary enabling legislation includes the following Federal statutes: the Bonneville Project Act of 1937 (16 U.S.C. § 832 et seq); Section 5 of the Flood Control Act of 1944 (16 U.S.C. § 825s); the Regional Preference Act of 1964 (16 U.S.C. § 837 et seq); and the Federal Columbia River Transmission System Act of 1974 (16 U.S.C. § 838 et seq). The Transmission System Act placed BPA on a self-financing basis, meaning that BPA pays its costs from revenues it receives from the sale of power and the provision of transmission and other services. BPA sets rates at levels to ensure revenues that recover BPA's costs, including certain payments to the U.S. Treasury. BPA's rates for the foregoing services are subject to approval by the Federal Energy Regulatory Commission (FERC) on the basis that, among other things, they recover BPA's costs.

BPA's customer service area is the Pacific Northwest region of the United States, encompassing the States of Idaho, Oregon, Washington, western Montana, and small parts of eastern Montana, western Wyoming, northern Nevada, Utah and northern California. BPA estimates that the population of its 300,000 square mile service area is about 12 million people. BPA markets the majority of this power to over 100 publicly owned and cooperatively owned utilities for resale to consumers in the region. BPA also has contracts to sell power for direct consumption to a small number of companies (direct-service industries or DSIs) located in the region, although the contracted amount of service BPA provides to DSIs has diminished substantially in recent years.

BPA is required by law to engage in a sale and exchange of power with participating utilities, in order to provide benefits of the Federal system for the residential and small farm customers of qualifying utilities within the region. The operation of this

program, referred to as the Residential Exchange Program (REP), may result in payments by BPA to those utilities if the applicable power rates for Federal Columbia River Power System power are lower than the utilities' respective average system cost of resources of meeting their residential and small farm power loads. The REP recipients receive a credit on their bills rather than a delivery of power.

While BPA sells power at cost to its regional preference customer utilities, BPA's customers must, in turn, sell BPA-supplied power at cost to their end-use consumers. As a result, many of the fifty-four tribes that reside within BPA's service territory are either served with low cost Federal power through local utilities and cooperatives, or benefit from the residential exchange program.

BPA sells cost-based power to public preference customer utilities within its service territory that meet BPA's Standards for Service (Standards)¹. The Standards were modified in 2000 to address some of the difficulties that tribes face when attempting to form a tribal utility. The Standards require that, in order to receive Federal preference power from BPA, a utility must: be legally formed in accordance with local, state, Federal or tribal laws; own a distribution system and be ready, willing and able to take power from BPA within a reasonable period of time; have a general utility responsibility within the service area; not be a profit-making entity so that it is able to provide electric service as near as possible to cost; have the financial ability to pay BPA for the Federal

¹ The Bonneville Project Act Sections 4(c) and 4(d) (16 U.S.C. §§ 839c(c) and (d)) have been interpreted to require prospective public customers of BPA to be legally formed utilities. See Bonneville Power Administration Final Policy on Standards for Service, Administrator's Record of Decision (http://www.bpa.gov/Power/PL/Subscription/SFSROD2_.pdf); see also Department of Energy Bonneville Power Administration Policy Decision Regarding Bonneville Power Administration's Standards for Service (http://www.bpa.gov/power/pl/subscription/SFS_Policy.pdf).

power it purchases; have adequate utility operations and structure; and be able to purchase power in wholesale amounts.

Most notably, the Standards for Service recognize that under certain circumstances the BPA Administrator may find it appropriate to allow an exception to the standard that the tribal utility own all the necessary distribution facilities located on tribal reservations. The Standards provide that the BPA Administrator may consider, on a case-by-case basis, issues related to the ownership standard regarding difficulties that a tribal utility may face in pursuing the acquisition of all the distribution facilities on tribal reservations.

After the modification to BPA's Standards for Service in 2000, two new tribal utilities became customers eligible to buy power at BPA's preference rates. These customers are the Umpqua Indian Utility Cooperative in Oregon (Cow Creek Band of Umpqua Tribe of Indians) and Yakama Power in Washington (Yakama Nation). BPA also serves the tribal customers through Mission Valley Power of Montana (Confederated Salish and Kootenai Tribes), a Bureau of Indian Affairs (BIA) utility that is operated by the tribe through a contract with BIA; and the Wapato Irrigation District that is a BIA project on the Yakama Nation reservation. As Federal agency (BIA) or preference customers, these utilities also have their load growth met by BPA. The actual BPA sales for 2006 to these utilities were:

Tribal Customers	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Umpqua Indian Utility Cooperative	3,016	3,352	21.10
Yakama Power	6,852	6,739	25.89
Mission Valley Power	47,613	83,405	298.45
USBIA Wapato Irrigation Project	4,842	3,521	16.09

BPA's experience and observation is that because most tribes currently receive low cost electricity service as consumer end-user load served by a local utility, there may not be an economic incentive for them to form a new utility. The costs of forming a utility, the legal and technical issues for taking over the distribution facilities of an existing utility, and the cost to either purchase a system or to construct one, often make the proposition of becoming a utility uneconomic. However, tribes may have other incentives to form a utility such as sovereign control over local infrastructure, job development, or poor service from existing utilities. In any event, BPA remains committed to providing technical assistance to regional tribes that wish to engage in BPA's services either for the power or transmission systems.

The Standards for Service accommodate service to tribal utilities. Once qualified, a tribal utility may request Federal power service from BPA. As with other new utilities, often the most difficult standard tribes must meet is the ownership of distribution facilities. When a tribe attempts to serve certain loads within a geographic area such as on a checker-boarded reservation, the tribe must choose to purchase the existing utility's system, share facilities with the incumbent provider, or build redundant facilities. In some situations, existing utility providers that previously served the tribe have shown a lack of willingness to enter into sales agreements with tribes for these facilities. Also, while BPA recognizes tribal sovereign status, tribes must sometimes work through local state processes because the local utility service providers are state jurisdictional.

Additionally, a tribe contemplating the formation of a utility may face the following barriers: questions of authorities to exercise eminent domain, especially for facilities not on tribal lands; land jurisdiction issues; reservations served by multiple

utilities (added complexity); economies of scale; a tribe may already be served with inexpensive power; reluctance to turn off retail service to tribal members for non-payment; limited funds available for startup and technical studies; transmission availability; changing tribal or Federal policy or resource adequacy (*e.g.*, BPA's current loads and power marketing resources today may impact tribes that wish to become BPA customers in the future.). These issues may confront tribes at a regional or local level and be seen as barriers that must be overcome before a tribe is able to establish a utility that qualifies for service from BPA. However, as stated earlier, tribes currently benefit from the use of Federal power as end-use consumers.

SOUTHWESTERN POWER ADMINISTRATION

Southwestern markets and delivers Federal hydroelectric power from 24 Corps multi-purpose projects to wholesale customers in the States of Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas, pursuant to Section 5 of the Flood Control Act of 1944. Southwestern operates and maintains 1,380 miles of high-voltage transmission lines in the States of Arkansas, Missouri, and Oklahoma. In the absence of a direct connection to Southwestern's transmission facilities, Southwestern requires its wholesale customers to arrange for transmission service to receive their allocation of Federal power. Southwestern's final allocations of Federal power have been made to municipalities, rural electric cooperatives and three military bases, all of which have distribution facilities to serve their respective retail customers.

Entities associated with 28 Indian tribes are served as retail customers by Southwestern's rural electric cooperative customers. Such entities associated with Indian

tribes receive the benefits of Federal power marketed by Southwestern along with the other retail member customers of the rural electric cooperatives.

In contrast to Western, which markets power under the authorizing authorities of both Reclamation Law and Section 5 of the Flood Control Act of 1944, Southwestern's authorizing authority to market power is limited to Section 5 of the Flood Control Act of 1944. Section 5 of the Flood Control Act of 1944 states that construction or acquisition of transmission lines and related facilities by the government shall only be made in order to make the power marketed by Southwestern available in "wholesale" quantities. Southwestern is not aware of any Indian tribe loads in its marketing area that are considered "wholesale" loads.

In order to obtain a direct Federal power allocation from Southwestern, an Indian tribe would need to establish a "wholesale load." This would necessitate the tribe developing its own distribution system to serve its customers. Such action would allow for a direct allocation of Federal power, if available, to the Indian tribe load consistent with Southwestern's past practices and interpretation of Section 5 of the Flood Control Act of 1944.

Absent the removal of these barriers to receive a direct allocation of Federal power, entities associated with Indian tribes in Southwestern's marketing area will continue to receive the benefits of Federal power through retail service from the rural electric cooperatives purchasing Federal power from Southwestern.

WESTERN AREA POWER ADMINISTRATION

Western markets and delivers electricity in 15 states which is primarily generated at hydroelectric plants at federally owned dams. Western has four regional offices and one management center, each of which markets power produced by separately authorized and funded Federal hydroelectric projects. Western has a long history of providing affordable, reliable hydroelectric power to customers who serve millions of consumers across the West. The transmission system owned and operated by Western is an integral part of the Nation's interconnected electrical grid and helps ensure the reliable delivery of the country's power supply.

The power marketed by Western is primarily generated at hydroelectric plants, the majority of which were constructed during the mid-1900s. The price for Western's power is lower than other power supplies from other generation facilities for several reasons. First, hydropower has no direct fuel costs. Second, the generation construction costs were incurred in the mid-1900s. And third, Western markets its power at cost-based rates that do not earn a profit. Western's utility customers are thus able to charge their consumers less for the power they use. Many tribes receive electric service from local rural electric cooperatives or municipal entities with allocations of Federal power, and tribes and tribal members have benefited indirectly from this arrangement as have other customers of the cooperatives and municipal entities. A few tribes have benefited directly through their own tribal utility's allocation of Federal power.

Historically, Western has considered Indian tribes to be eligible for preference rights to Federal power. Prior to 1995, it was Western's policy that in order to receive an allocation an entity must operate an electric utility. A potential new customer must be

able to accept delivery of power, use power, and be responsible for load growth. In a number of instances, Federal power was made available to tribal irrigation projects, but only a few tribes actually operated electrical utilities and received allocations.

Many barriers exist which prevent tribes from benefiting from low cost Federal power through tribal utilities. Typically, tribes are served by local utilities which may resist establishment of tribal utilities that would take load away from the utility which has invested in infrastructure to serve the tribe. Establishment of a utility is also a lengthy, expensive and complex process. A tribe may need to hire outside consultants and attorneys who have expertise in the area of utility formation. It would need to acquire a distribution system, obtain power supply contracts, possibly build or invest in generation, and hire or train management and maintenance personnel. Finally, a tribal utility must be economically viable. Small tribes may not have large enough loads to justify a utility. Even with a Federal allocation, the economics may not show that creation of an electrical utility is feasible. However, while a tribe's Federal power allocation alone is generally not large enough to ensure that a tribal utility would be economically justified, an allocation may help to meet other tribal goals, such as energy independence and self sufficiency through a utility operation.

Working collaboratively with tribes and American Indian organizations, Western has taken action to remove these barriers and allow tribes to directly benefit from Federal power. In 1995, after extensive public dialog, Western adopted the Energy Planning and Management Program (Program) (60 FR 54151, October 20, 1995). One of the key elements of the Program was to extend a major portion, but not all, of resource commitments for existing customers as existing power sales contracts expired. By not

extending all of the resource commitments to existing customers, Western was able to create resource pools for potential new customers. In response to comments received from tribes, Western decided to allocate power to tribes regardless of a tribe's utility status.

As Western's existing electrical contracts expired and new marketing plans were developed for the various projects and the Program applied, tribes were encouraged to apply for the power set aside for new customers. Western worked very closely with tribes and regional and national Indian organizations to educate tribes about the availability of Federal power, the benefits of an allocation, and to encourage tribes to apply for allocations. Because of this, tribes in Western's 15 state service area have become eligible for Federal power, and those tribes which applied for power and signed contracts with Western have or will receive the economic benefits of cost-based hydroelectric power.

Since most tribes were not utilities, new procedures for delivering the benefits of Federal power were required. It was recognized that the actual benefit of an allocation was primarily the cost savings realized by the tribe from the delivery of the Federal power. Western established principles which were used to govern development of these procedures. These principles recognize that the lower cost of Federal power allows tribes with allocations to benefit from these new arrangements.

Western developed two principal methods for providing the benefit to the tribes: bill crediting and benefit crediting. Under bill crediting, Western delivers a tribe's lower cost hydropower allocation to the utility serving the tribe which uses the power, displacing an equal amount of electricity that the utility would have acquired from its

other sources. The tribe identifies and designates the tribal beneficiaries for the program. Each designated customer receives a credit on their monthly power bill. The credit generally is based on the difference between the cost of the utility's power supplies and the lower cost of the Federal power, less any administrative costs. In some areas, local utilities opposed bill crediting because of concerns about the administrative costs of bill crediting and state regulatory restrictions. Therefore, Western proposed benefit crediting as an alternative. Under benefit crediting, as with bill crediting, a tribe's lower-cost hydropower allocation is delivered to a utility which uses the power by displacing an equal amount of electricity the utility would have acquired from other sources. The benefit is calculated similarly to the bill credit (i.e. the savings to the utility associated with purchasing Western electricity rather than generating electricity or purchasing it from other sources), but the benefit, in the form of regular cash payments, is paid by the utility to the tribe, rather than going to the tribe or its members in the form of a credit on their power bills. The tribe then determines how the payment will be used to benefit its members. The benefit to the tribe and the cost to Western of benefit crediting is essentially the same as under bill crediting, except the administrative costs of bill crediting are mitigated. Benefit crediting allows tribes to receive the benefit of a Western allocation in cases where it would not be possible otherwise. In most of these cases, high administrative costs of the local utility associated with bill crediting would completely consume the tribal benefit.

Both methods have been successful in delivering the benefits of Federal power to the tribes. Western also allows a power pooling arrangement under which a tribe and another utility may pool their allocations for the benefit of both parties. Western has tried

to maintain flexibility in its tribal marketing program so that if a tribe establishes a tribal utility it can terminate its crediting contract and take direct delivery of the power. One tribe in Arizona, the Gila River Indian Community, has created a utility and terminated its benefit crediting contract and taken delivery of power as of August 1, 2007.

Western requested tribal input on this report and received suggestions as to how the current arrangements may be enhanced. The suggestions ranged from reallocating Federal power to promoting more renewable energy on tribal lands to creating new government programs targeted specifically at tribes. Although tribes generally support the initiative of Western to open its marketing programs to non-utility American Indian customers, several comments were received about Western's allocation processes, most requesting that more energy be withdrawn from current customers and reallocated to Indian tribes. Others suggested that in future allocation processes Western's marketing criteria should be revised to be more favorable to tribes. One tribe commented that the method used to deliver the benefits of Federal hydroelectricity to Native American customers should be based upon tribal preference. Western is open to considering the method preferred by each tribe in the future.

Western received several comments concerning energy use and development on Indian reservations that are either beyond the scope of this report or Western's ability to address. Others suggested that Western should encourage and support development of wind and other renewable energy resources by building transmission lines and by committing to purchase these resources. Western is willing to partner with tribes in the assessment of tribal renewable energy potential, and is also interested in serving as the marketing agent for tribal renewable resources through either the sale of renewable

energy or renewable energy certificates. Purchase of tribal wind energy by Western is also of interest if the energy is available at prevailing market prices in accordance with prevailing market terms and conditions. Transmission construction for the delivery of tribal renewable energy is possible if adequate resources are made available. In addition, pursuant to the 2005 amendment to the Energy Policy Act of 1992, Western's Administrator is authorized to allow tribes to use their Federal power allocations to meet the firming and reserve needs of Indian-owned energy projects on Indian land.

The following discussion describes the marketing programs for Indian tribes in each of Western's regions.

Colorado River Storage Project Management Center (CRSP MC)

The CRSP MC allocates power from the Salt Lake City Area Integrated Projects (SLCA/IP), which includes power produced by the Collbran Project, the Colorado River Storage Project, and the Rio Grande Project. Power from the SLCA/IP is marketed in the States of Arizona, Colorado, New Mexico, Nevada, Utah, and Wyoming. Historically, the CRSP MC has allocated power to four tribal utilities: 1) Fort Mojave Indian Tribe's Aha Macav Power Service, 2) Ak Chin Indian Community's Ak Chin Electric Utility Authority, 3) Navajo Nation's Navajo Tribal Utility Authority, and 4) Tohono O'odham Nation's Tohono O'odham Utility Authority. Additionally, three Indian irrigation projects receive SLCA/IP power, which benefits tribal members. These are the San Carlos Irrigation Project, the Navajo Indian Irrigation Project, and the Colorado River Agency.

In October 2004, through a new marketing program, allocations of SCLA/IP power became available to an additional 50 tribes or tribal organizations.² At the time allocations were made, SLCA/IP power was estimated to provide 55.7 percent of tribal electrical use in the summer season and 58.8 percent in the winter season based on the adjusted seasonal energy data submitted by each tribe.

Those tribes receiving new allocations that are not tribal utilities do not have the ability to take delivery of the power. Forty-eight tribes in the SLCA/IP marketing area have entered into benefit crediting contracts described earlier with six utilities. In fiscal year (FY) 2005, the first year of the program, \$8.2 million in cumulative benefits were received by the tribes with SLCA/IP allocations.

Desert Southwest Region (DSW)

The DSW markets Federal hydroelectric power in Arizona, California and Nevada. Hydroelectric power is generated primarily from Hoover Dam, and Parker and Davis Dams (Parker-Davis Project). DSW has allocated hydroelectric power to Ft. Mohave Indian Tribe, San Carlos Irrigation Project, Tohono O'odham Nation and Colorado River Indian Tribes. All four entities receive Federal hydropower from the Parker-Davis Project and their contracts will expire in 2028. Ft. Mojave and Tohono O'odham Nation receive and distribute hydropower through their own tribal utilities. San Carlos Irrigation Project and Colorado River Agency are both divisions of the BIA. They receive and distribute hydropower to the Gila River Reservation and the Colorado River Indian Tribes, respectively. Federal hydropower accounts for about 12 percent to

² See Western Area Power Administration, Post-2004 Resource Pool–Salt Lake City Area Integrated Projects, Notice of Adjustment to Final Allocations (67 FR 49019, July 29, 2002).

18 percent of total electrical requirements for these tribes. For FY 2005, the value of the allocations was about \$7.4 million.

In 2003, Western formed a resource pool consisting of 7% of the post-2008 allocations to new customers. As a result of this remarketing effort, five Indian tribes will begin receiving Federal power in October 2008.³ These five tribes are: Agua Caliente Band of Cahuilla Indians, Ft Mohave Indian Tribe, Pechanga Band of Luiseño Mission Indians, San Luis Rey River Indian Water Authority, and Viejas Band of Kumeyaay Indians. The value to these tribes is estimated to be about \$10 million per year.

Rocky Mountain Region (RMR)

The RMR markets its power in Colorado and Wyoming east of the continental divide and in parts of Kansas and Nebraska. RMR allocates power from the Loveland Area Projects (LAP), which consists of the Pick Sloan Missouri Basin Project - Western Division (PSMBP-WD) and the Fryingpan-Arkansas Project. When Western revised its policy as part of the Program, six tribes identified in the RMR service area became eligible for power allocations under the Post-2004 Resource Pool Allocation. The following six Native American tribes applied for and were granted power allocations from LAP generation under this marketing program: Prairie Band Potawatomi Nation, Sac and Fox Nation of Missouri in Kansas and Nebraska, Wind River Reservation-Wyoming (Eastern Shoshone Tribe and Northern Arapaho Tribe are served under a single

³ See Western Area Power Administration, Parker-Davis Project–Post-2008 Resource Pool, Notice of Final Power Allocation (71 FR 70380, December 4, 2006).

contract), Iowa Tribe of Kansas and Nebraska, and Kickapoo Tribe in Kansas.⁴ At the time allocations were determined, Western power provided approximately 65 percent of the tribes' electrical use. Two utilities in the RMR marketing area have signed benefit crediting contracts with the six tribes. In October 2004, RMR began delivering the benefits of the power allocations to the tribes.^{5, 6}

Sierra Nevada Region (SNR)

The Central Valley Project (CVP) in California's Central Valley is a multipurpose Federal water and power project extending from the Cascade Range in northern California to the plains along the Kern River, south of the City of Bakersfield. Irrigation aspects of the CVP encompass almost one-third of the State of California.

Power generated by the CVP is marketed by Western's SNR. Current power allocations were made under SNR's 2004 Power Marketing Plan effective July 1999. Allocations and operation under this plan became effective on January 1, 2005, and continue through December 31, 2024. New allocations from a small resource pool will be available in 2014.

Soon after the 2004 Power Marketing Plan was noticed in the *Federal Register*, SNR sent letters announcing its publication to the Indian tribes in the SNR service area. Twenty-five letters were sent to individuals associated with 12 Indian tribes. Western received applications from four Indian tribes for allocations under the 2004 Power

⁴ See Western Area Power Administration, Post-2004 Resource Pool–Loveland Area Projects, Notice of Final Power Allocations (71 FR 1341, January 10, 2002).

⁵ Two tribes, the Northern Arapahoe and the Eastern Shoshone, reside on the Wind River Reservation, WY, and receive a single allocation.

⁶ The Sac and Fox Nation, KS, did not immediately sign its contract and, therefore, did not begin receiving its allocation. The Nation began receiving its allocation in February 2005.

Marketing Plan. SNR granted an allocation, or percentage of SNR's CVP generation (Base Resource) under the 2004 Power Marketing Plan, to all four Indian tribes, none of which have utility status: Coyote Valley Band of Pomo Indians (Coyote Valley), Redding Rancheria, Susanville Rancheria, and Table Mountain Rancheria (Table Mountain).⁷

Of the four Indian tribes that applied for and received allocations of power under the marketing plan, the Susanville Rancheria and Redding Rancheria pool their allocation with the Lassen Municipal Utility District (LMUD) and the City of Redding (Redding), respectively. LMUD and Redding incorporate the tribes' allocations into service for the respective tribe's total load. Coyote Valley and Table Mountain use their allocated Base Resource under Western negotiated transmission agreements with the Pacific Gas and Electric Company (PG&E). Such agreements provide for PG&E to deliver the tribes' Base Resource. The energy SNR provides only meets a portion of each tribe's total power requirement. The portions of Coyote Valley's and Table Mountain's loads that are not met with the Base Resource are met by PG&E.

For calendar year 2005, SNR estimates that the value of the Federal power allocations to the four Indian tribes was approximately \$353,000 collectively.

Upper Great Plains Region (UGPR)

The UGPR markets power generated from powerplants of the Pick-Sloan Missouri Basin Program-Eastern Division. The power is marketed to areas in Montana, North Dakota, South Dakota, Nebraska, Iowa, and Minnesota. Through the Post-2000

⁷ See Western Area Power Administration, 2005 Resource Pool, Notice of Final Power Allocations (65 FR 45976, July 26, 2000).

Resource Pool Allocation, 25 tribes in the UGPR service area received firm power allocations.⁸ Allocations are based on the amount necessary for Federal power to meet approximately 62 percent of each tribe's summer electrical use and 55 percent of winter use. All of the tribes are non-utility customers. Through the cooperation of the tribes and 46 area utilities, deliveries under a bill crediting program started in 2001. Power is delivered by UGPR to an area utility providing service to the tribe. Indian tribes' beneficiaries receive credits on their electricity bills through bill crediting arrangements. These credits totaled approximately \$4.3 million in 2005.

In addition to these bill crediting arrangements, UGPR currently delivers Federal power for Indian tribes' use at five irrigation projects and one rural water project: Moreau River Irrigation Project of the Cheyenne River Sioux Tribe, Grass Ropes Irrigation Project of the Lower Brule Sioux Tribe, Eagle Unit Irrigation Project of the Standing Rock Sioux Tribe, Fort Yates Irrigation Unit of the Standing Rock Sioux Tribe, Cannonball Irrigation Unit of the Standing Rock Sioux Tribe, and Mni Wiconi Rural Water System of the Oglala Sioux, Rosebud Sioux, and the Lower Brule Sioux Tribes. Federal power currently meets 100 percent of the Indian tribes' irrigation project power needs, as well as 100 percent of the Mni Wiconi Rural Water System's summer season needs. UGPR may provide power to the Mni Wiconi Rural Water System in the winter season, if it is available, or may purchase power on behalf of the Indian tribes as an additional power service. The Crow Creek Sioux Tribe has used Federal power for its irrigation development in the past and may choose to receive deliveries again.

⁸ See Western Area Power Administration, Final Power Allocations of the Post-2000 Resource Pool–Pick-Sloan Missouri Basin Program, Eastern Division, Notice of Final Power Allocations (62 FR 11174, March 11, 1997).

Tribal Allocations

The following tables identify by state which tribes received power allocations, the quantity of power allocated, and the project that supplies the power.

ARIZONA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Ak-Chin Municipal	4,244	1,920	11.24
Cocopah Indian Tribe	1,281	1,058	4.31
Colorado River Agency (BIA)	442	881	2.43
Colorado River Indian Tribes	5,978	3,772	17.89
Fort Mojave Indian Tribe	282	272	1.03
Ft. McDowell Yavapai Nation	2,346	2,270	8.53
Gila River Indian Community	13,920	13,330	50.36
Havasupai Tribe	199	237	0.81
Hopi Tribe	2,716	2,810	10.22
Hualapai Tribe	625	609	2.28
NTUA	42,614	48,052	181.81
Pascua Yaqui Tribe	1,320	1,032	4.33
Quechan Indian Tribe 1/	505	729	2.30
Salt River Pima-Maricopa Indian Community	16,144	13,380	54.43
San Carlos Apache Tribe	4,152	3,780	14.64
San Carlos IP (BIA)	1,366	1,840	5.86
Tohono O'odham Utility Authority	1,047	3,044	7.69
Tonto Apache Tribe	382	349	1.35
White Mountain Apache Tribe	5,822	5,999	21.87
Yavapai Apache Nation	1,893	1,465	6.18
Yavapai Prescott Indian Tribe	733	805	2.85
Total SLCA/IP in Arizona	108,011	107,634	412.41
Tribes with a Parker-Davis Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
San Carlos Project-BIA	17,185	13,130	81.49
Tohono O'odham Nation	2,887	2,353	13.94
Colorado River Agency-BIA	8,900	5,940	40.74
Ft. Mohave Indian Tribe	1,970	1,200	8.82
Ft. Mohave Indian Tribe (Additional Allocation to Begin October 2008)	2,000	0	6.88
Total Parker- Davis in Arizona	32,942	22,623	151.87

CALIFORNIA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Central Valley Project Allocation	Percentage of Base Resource	Capacity Allocation (kW)	Annual Energy (GWh)
Coyote Valley Band of Pomo Indians	0.055%	n/a	2.01
Table Mountain Rancheria	0.147%	n/a	5.59
Susanville Rancheria	0.103%	n/a	4.01
Redding Rancheria	0.037%	n/a	1.44
Total Central Valley in California	0.3420%	n/a	13.05
Tribes with a Parker-Davis Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Agua Caliente Band of Cahuilla Indians (Beginning October 2008)	1,000	1,000	5.14
Pechanga Band of Luiseño Mission Indians (Beginning October 2008)	1,000	1,000	5.14
San Luis Rey River Indian Water Authority (Beginning October 2008)	2,000	1,000	8.59
Viejas Band of Kumeyaay Indians (Beginning October 2008)	1,000	1,000	5.14
Total Parker-Davis in California	5,000	4,000	24.01

COLORADO		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Southern Ute Indian Tribe	1,122	1,174	4.25
Ute Mountain Ute Tribe	477	508	1.82
Total SLCA/IP in Colorado	1,599	1,682	6.07

KANSAS		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Iowa Tribe of Kansas and Nebraska	1,232	1,180	3.71
Kickapoo Tribe in Kansas	1,713	1,592	5.08
Prairie Band Potawatomi Nation	3,435	3,056	10.00
Sac and Fox Nation of Missouri	1,669	1,570	4.98
Total Pick-Sloan in Kansas	8,049	7,398	23.77

MINNESOTA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Lower Sioux Indian Community	2,306	2,071	11.79
Upper Sioux Indian Community	245	204	1.21
White Earth Indian Reservation	1,943	1,688	9.76
Total Pick-Sloan in Minnesota	4,494	3,963	22.76

MONTANA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Blackfeet Tribe	5,498	5,260	29.05
Chippewa Cree Tribe	329	566	2.48
Crow Tribe	825	1,414	6.20
Fort Belknap Indian Community	2,081	2,063	11.21
Fort Peck Tribes	4,217	3,716	21.35
Fort Peck Rural Water System (Assiniboine and Sioux Tribes) 2/	TBD	TBD	TBD
Rocky Boy's North Central Regional Water System (Chippewa Cree Tribe) 2/	TBD	TBD	TBD
Northern Cheyenne Tribe	2,403	1,720	10.99
Total Pick-Sloan in Montana	15,353	14,739	81.28

NEBRASKA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Omaha Tribe of Nebraska 3/	1,636	1,449	7.62
Ponca Tribe	1,124	1,034	5.82
Santee Sioux Tribe	567	520	2.93
Winnebago Tribe of Nebraska	1,597	1,465	8.25
Total Pick-Sloan in Nebraska	4,924	4,468	24.62

NEVADA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Duckwater Shoshone Tribe	69	67	0.25
Ely Shoshone Tribe	78	129	0.39
Las Vegas Paiute Tribe	721	523	2.29
Yomba Shoshone Tribe	31	30	0.11
Total SLCA/IP in Nevada	899	749	3.04

NEW MEXICO		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Acoma, Pueblo of	420	410	1.53
Alamo Navajo Chapter	184	196	0.70
Canoncito Navajo Chapter	135	145	0.52
De Cochiti, Pueblo	185	224	0.76
Isleta, Pueblo of	1,098	1,109	4.08
Jemez, Pueblo of	214	265	0.89
Jicarilla Apache Tribe	580	735	2.44
Laguna, Pueblo of	742	753	2.76
Mescalero Apache Tribe	976	990	3.63
Nambe Pueblo	59	65	0.23
Navajo Indian Irrigation Project	87,000	1,500	121.61
Picuris Pueblo	76	22	0.18
Pojoaque, Pueblo of	208	271	0.89
Ramah Navajo Chapter	300	412	1.32
San Felipe, Pueblo of	328	422	1.39
San Ildefonso, Pueblo of	63	64	0.23
San Juan, Pueblo of	298	303	1.11
Sandia, Pueblo of	943	817	3.25
Santa Ana Pueblo	460	410	1.61
Santa Clara, Pueblo of	214	264	0.89
Santo Domingo, Pueblo of	452	438	1.65
Taos, Pueblo of	221	340	1.04
Tesuque, Pueblo of	628	598	2.27
Zia, Pueblo of	68	85	0.28
Zuni, Pueblo of	1,020	1,185	4.09
Total SLCA/IP in New Mexico	96,872	12,023	159.35

NORTH DAKOTA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Spirit Lake Sioux Tribe	3,045	3,176	16.87
Standing Rock Sioux Tribe	4,070	3,391	20.03
Standing Rock Sioux (Fort Yates Unit)	450	0	1.98
Standing Rock Sioux (Cannonball Unit)	490	0	2.15
Standing Rock Sioux (Eagle Unit)	1,100	0	4.83
Three Affiliated Tribes	2,525	2,422	13.36
Turtle Mountain Band of Chippewa Indians	4,781	6,706	31.54
Total Pick-Sloan in North Dakota	16,461	15,695	90.76

SOUTH DAKOTA		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a Pick-Sloan Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Cheyenne River Sioux Tribe	3,856	3,548	19.60
Cheyenne River Sioux Tribe (Moreau River Irrigation Project)	600	0	.01
Crow Creek Sioux Tribe	475	341	2.17
Flandreau Santee Sioux 1/	156	-	-
Lower Brule Sioux Tribe	886	815	4.58
Lower Brule Sioux (Grass Ropes Irrigation Project)	3,000	0	2.59
Oglala Sioux Tribe	9,932	9,257	51.76
Oglala Sioux, Rosebud Sioux, and Lower Brule Sioux Tribes (Mni Wiconi Rural Water System)	6,000	0	3.60
Rosebud Sioux Tribe	6,083	5,598	31.49
Sisseton Wahpeton Sioux Tribe	1,617	1,297	7.81
Yankton Sioux Tribe	1,937	1,657	9.66
Total Pick-Sloan in South Dakota	34,542	22,513	133.27

UTAH		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribes with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Confederated Tribes of the Goshute Reservation	39	62	0.19
Paiute Indian Tribe of Utah	158	154	0.58
Skull Valley Band of Goshute Indians 1/	15	15	0.06
Ute Indian Tribe	457	688	2.13
Total SLCA/IP in Utah	669	919	2.96

WYOMING		ANNUAL QUANTITIES OF POWER ALLOCATED	
Tribe with a SLCA/IP Allocation	Summer Capacity (kW)	Winter Capacity (kW)	Annual Energy (GWh)
Wind River Reservation	484	491	1.80
Total SLCA/IP in Wyoming	484	491	1.80
Tribe with a Pick-Sloan Allocation			
Wind River Reservation	1,391	1,350	4.21
Total Pick-Sloan in Wyoming	1,391	1,350	4.21

1/ Tribe has not signed contract for delivery.

2/ Indian Rural Water Projects. Note that Fort Peck Rural Water System and the Rocky Boy's/North Central Regional Water System are authorized, but the projects are not yet operational.

3/ The Omaha Tribe of Nebraska has not yet identified sufficient beneficiaries to utilize 100% of their allocation under bill crediting. This has stranded a portion of their allocation including 737 kW in the Summer Season and 654 kW in the Winter Season.